

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7448

BILL NUMBER: SB 542

NOTE PREPARED: Jan 11, 2011

BILL AMENDED:

SUBJECT: Wage Assignments.

FIRST AUTHOR: Sen. Schneider

FIRST SPONSOR:

BILL STATUS: As Introduced

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill provides that a state employee may not make a wage assignment for the purpose of making a contribution or payment to be used for political activities. It removes a provision that allows an employee to make a wage assignment to pay dues to a labor organization to which the employee belongs.

The bill repeals a provision that requires a school employer to deduct from a school employee's pay, and remit to a school employee organization, dues for the school employee organization.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The bill would probably not have any fiscal impact on the state. Removing a wage assignment on the payroll system could be done with current resources.

Explanation of State Revenues:

Explanation of Local Expenditures: The removal of a wage assignment should not have any fiscal impact. Changing the deduction could be done with existing resources..

Background: Dues to school employee organizations are between about \$400 to \$700 per year. The state's largest school employee organization, the Indiana State Teachers Association, has about 50,000 members.

Explanation of Local Revenues:

State Agencies Affected: Auditor of State.

Local Agencies Affected: All.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.